

XL Axiata Q1 profits up 51% on subscriber growth and currency gains

Indonesia's second largest mobile operator XL Axiata posted a 51% rise in first-quarter profit on the back of strong subscriber gains and currency gains. The cellco said net income for January-March climbed to IDR378.9 billion (USD33 million) from IDR259.8 billion in the same period of 2013, aided by foreign exchange gains of IDR477 billion, compared to a FOREX loss of IDR26.3 billion last year. In a filing to the Indonesia Stock Exchange (IDX), the company noted its exposure 'to fluctuations in foreign exchange rates resulting mainly from its debt denominated in US dollars,' adding that whilst the rupiah strengthened 6.4% in Q1 2014, it has yet to regain its 26% loss in fiscal 2013.

XL Axiata booked first-quarter revenue of IDR5.5 trillion, up 10% year-on-year, of which turnover derived from mobile operations took the lion's share – IDR4.2 trillion – up 33% y-o-y. The company, 66.5% indirectly controlled by Malaysia's Axiata Group, says it is looking to capitalise on its recent acquisition of fellow Indonesian cellco Axis Telekom Indonesia from Saudi Telecom Company; completed early last month, XL Axiata now controls a 95% stake in Axis through a USD865 million transaction. The company gained 13.3 million mobile subscribers from the acquisition to add to its 60.5 million consumer base. In 2014 XL Axiata is looking to add a net ten million smartphones to its base, on top of the eleven million smartphone users it has currently. To help achieve this goal, the carrier has approached Samsung to help with plans to offer new bundled services to its end users.

Source:

http://www.telegeography.com/products/commsupdate/articles/2014/05/16/xl-axiata-q1-profits-up-51-on-subscriber-growth-and-currency-gains/?utm_source=feedburner&utm_medium=feed&utm_campaign=Feed%3A+telegeography%2Fcommsupdate+%28TeleGeography+CommsUpdate%29